

Ex. 5 & 7e

Hickman's Family Farms – Tonopah, AZ Update April 19, 2017

Purpose: Provide updates on Tonopah facility, and discuss possible next steps

Background: Hickmans operates an egg processing facility in Tonopah, Maricopa County, AZ,¹ consisting of 14 hen houses (approx. 4.3 million birds), manure storage houses, emergency generators, and a small natural gas fired boiler. The facility is located within ¼ mile from a rural community who have filed multiple complaints with Maricopa County AQD (MCAQD) and EPA Region 9.

At present, the facility operates under a non-title V permit issued by MCAQD that covers industrial equipment such as the emergency generators and boiler, but does not cover the henhouses. Maricopa's rules include an agricultural exemption² which states that "agricultural equipment used in normal farm operations" shall not require a permit unless the equipment is subject to an NSPS or NESHAP, or is at a source that would be a title V major source. As part of a public comment/appeal³ received on a recent permit revision, MCAQD was ordered⁴ to determine whether emissions of VOC and PM₁₀ from the henhouses are fugitive or non-fugitive. If determined to be non-fugitive, these emissions would count towards title V applicability, and possibly make Tonopah a title V major source for PM₁₀ and VOC.

On January 31, 2005, EPA offered a voluntary consent agreement and final order (CAFO) to animal feeding operations (AFO). Participating AFOs receive from EPA a limited release and covenant not to sue for certain past and ongoing CAA, CERCLA, and EPCRA violations. The Tonopah facility is not covered by the CAFO.

In addition, neighboring residents, with the support of local environmental groups, have characterized the ammonia emissions from the hen houses as unpermitted releases above reportable quantity thresholds. They have asked EPA Region 9 for an EPCRA emergency response, noting a history of ammonia and hydrogen sulfide emissions.⁵

Recent Activity: MCAQD is in the process of responding to the December 2016 Hearing Board order, which involves making a determination regarding the characterization of hen house emissions. Draft documents and correspondence with MCAQD indicate that emissions from the henhouses will be determined to be fugitive. This assertion is based on two primary arguments:

¹ Maricopa County is nonattainment for PM₁₀ (Serious) and Ozone (Moderate). However, the Tonopah facility is located in a portion of the county outside of the nonattainment area. (but inside the ozone NA area)

² MCAPCR Rule 200, §308 & 308.3. This has not been approved into the SIP.

³ July 12, 2016 appeal filed by Daniel Blackson, to Maricopa County Air Pollution Hearing Board

⁴ December 2, 2016 MCAPHB Order

⁵ February 3, 2017 email from Steve Brittle (Don't Waste Arizona) to Alexis Strauss, Acting Regional Administrator

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- 1) The actual discharge point to the atmosphere is fugitive. Hickmans asserts that while emissions from the henhouses are ventilated through banks of fans, these fans do not discharge to the atmosphere. Due to the physical structure of the henhouses, emissions first enter a manure storage structure and are discharged to the ambient atmosphere through the east-facing open side of each house, which is fugitive in nature.
- 2) It is not reasonable to capture and control these emissions. Hickmans asserts that it would not be economically feasible to capture and control these emissions, citing a cost of \$13 million per henhouse, including building enclosures, ventilation requirements, and baghouse costs.

Photos of the design of the Tonopah henhouses are attached. Henhouse emissions are collected when they pass through ventilation fans. The fans exhaust into a manure storage area, which is enclosed on three sides but has an open east face.

In addition, Hickmans operates an almost identical facility in San Joaquin Valley, which operates with a title V permit. No explicit determination regarding fugitive characterization was made by SJVAPCD.

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Next Steps and Options: MCAQD intends to respond to the hearing board and re-issue the permit revision within the next 4-6 weeks. An appeal to the AZ state court is expected, with a possible resolution late 2017/early 2018. Permit expiration/renewal is scheduled for 2019.

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